



HM Revenue
& Customs

Research report

Evaluation of the Needs Enhanced Support (NES) Service National Roll-out

Prepared by TNS BMRB for Her Majesty's Revenue and Customs

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Evaluation of the Needs Enhanced Support (NES) Service National Roll-out

This work was commissioned by the Personal Tax Customer, Product & Process Directorate.

About Personal Tax Customer, Product & Process (PT CP&P)

Personal Tax Customer, Product & Process works with colleagues in Personal Tax and across HMRC to design, deliver and improve services for individual customers which

- maximise tax yield
- improve customer experience
- ensure that those who need help get the support they need, when they need it

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Evaluation of the Needs Enhanced Support (NES) Service National Roll-out

HM Revenue and Customs (HMRC) commissioned TNS BMRB to undertake research to evaluate a new customer service model designed for those who need enhanced support ('NES' customers). The research aimed to provide independent evidence of the satisfaction with, and experience of the processes and services, from the perspective of customers and support staff. The following report is a summary of the findings from this evaluation.

Research requirement (background to the project)

In 2011/12, TNS BMRB, in partnership with The Futures Company, conducted research which identified a number of reasons why customers might need enhanced support from HMRC¹. These 'drivers' can manifest themselves singly or multiply, and can cause an occasional (e.g. prompted by a life event) or ongoing need for enhanced support. Customers who exhibit this need are found across a wide demographic range; they need help for a range of reasons and support of various types. This diverse set of customers has been characterised as *Needs Enhanced Support* (or *NES*), in recognition of the fact that their needs change and that future needs can be influenced by the support and service they receive.

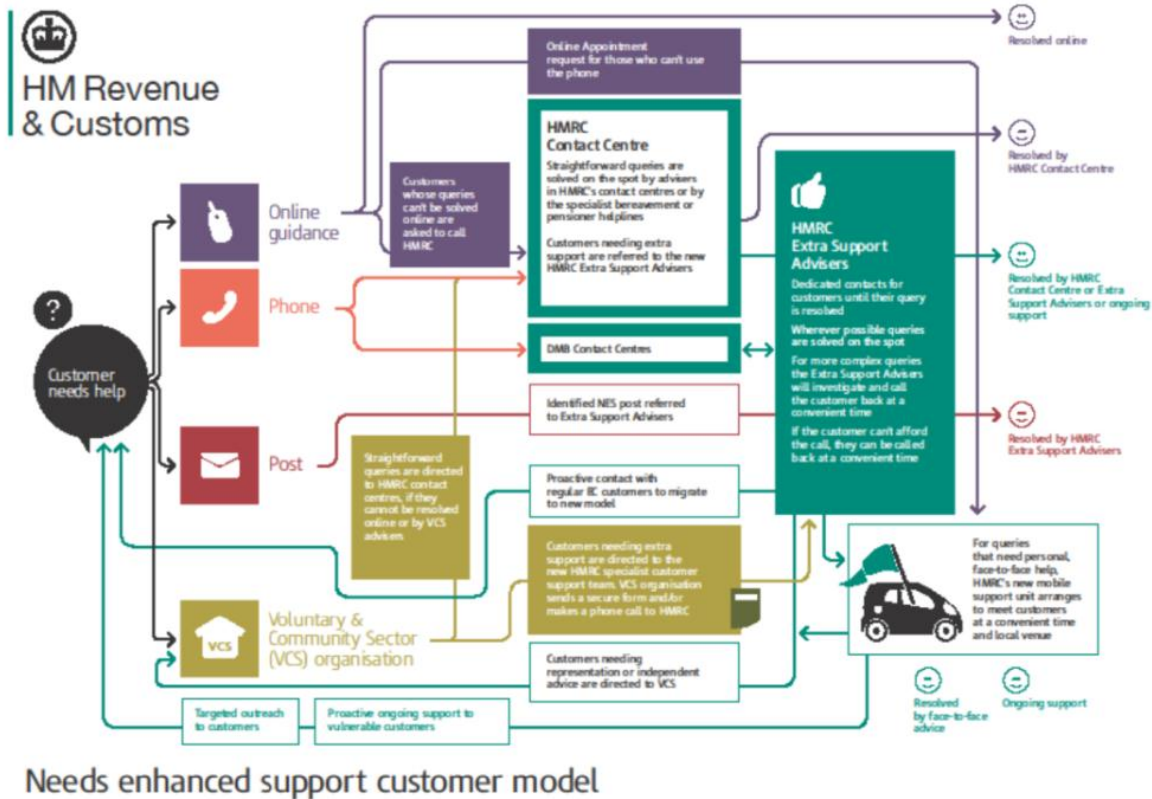
HMRC designed a new customer service model to offer customers who need enhanced support a more tailored, targeted service. The aim is to improve their experience of contact with HMRC and the quality of outcomes, and to reduce the cost to HMRC of serving customers overall. Figure 1 (overleaf) outlines the NES customer service model, showing the different levels of support available for a customer needing help from HMRC. Where queries cannot be resolved by the HMRC Contact Centre (Tier 1), customers exhibiting NES drivers may be triaged to more enhanced telephone support (Tier 2), or a face to face appointment with an adviser (Tier 3).

Following a pilot in 2013, the new service model has been rolled out across the UK. HMRC commissioned research to provide independent evidence of experiences of the processes and services delivered by the new service model, from the perspective of NES customers and customer support staff. Previous Enquiry Centre customers (non-NES and NES) formed an additional audience for this research to understand awareness and engagement with the new service model.

¹ Drivers of need include: access; personal confidence; mental/emotional state; capability; intricacy; and HMRC driven need

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Figure 1: Needs enhanced support customer model



Specifically, the research aimed to explore and understand the following, among each of the three audiences in question:

NES customers	Former Enquiry Centre customers	HMRC staff
<ul style="list-style-type: none"> understand customers' characteristics, drivers and needs; explore their journeys through the system and evaluate their service experience, including levels of satisfaction and self-reported query resolution; make comparisons to the previous HMRC contact service 	<ul style="list-style-type: none"> explore their historical use of HMRC enquiry centres gauge awareness of changes to the service delivery model make comparisons to the previous HMRC contact service 	<ul style="list-style-type: none"> explore their transition to the new service model understand perceived effectiveness of training, support systems, guidance explore their experience of the triage process and service delivery views on the quality and efficacy of support provided to customers

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When the research took place

- Fieldwork took place between 4th September and 28th November 2014 (Phase 1) and 8th January and 13th March 2015 (Phase 2)
- Analysis and reporting took place in December 2014 (Phase 1) and March 2015 (Phase 2)

Who did the work (research agency)

The research was conducted by TNS BMRB, an independent social research agency for UK and international policymakers.

Method, Data and Tools used, Sample

The research combined qualitative and quantitative methods, with interviews conducted with three separate audiences: NES customers, former Enquiry Centre (EC) customers and HMRC staff. The research was split into two phases to make comparisons across two different periods of time that were expected to be quieter and busier periods in the year for people requesting HMRC support. The first phase (quieter) took place between 4th September and 28th November 2014 and the second phase (busier) between 8th January and 13th March 2015.

The sample for this research included the following types of respondent:

1. Needs Enhanced Support (NES) customers

These were customers who called an HMRC Contact Centre for some form of information/support. They would be identified as exhibiting NES drivers by an adviser at the contact centre (Tier 1) who may then serve them, or they may triage the customer to more enhanced telephone support from an adviser (Tier 2), or to receive a face to face appointment with an adviser (Tier 3).

A total of 892 interviews (409 in Phase 1 and 483 in Phase 2) were conducted with NES customers across the qualitative and quantitative research broken down as follows:

- 177 qualitative in-depth interviews were undertaken with NES customers. 94 of these interviews were undertaken during Phase 1 (15 customers who had accessed Tier 1 only support; 40 customers who had accessed Tier 2 support; and 39 customers who had accessed Tier 3 support). A further 83 interviews were undertaken in Phase 2 (27 customers who had accessed Tier 1 only support, including customers who were previously EC users, and had accessed Tier 1; 45 customers who had accessed Tier 2 support; and 11 customers who had accessed Tier 3 support). Interviews were undertaken by telephone, and lasted between 15 and 45 minutes, depending on the level of support received

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- 715 quantitative interviews were undertaken with NES customers. 315 of these interviews were undertaken during Phase 1 (40 customers who had accessed Tier 1 only support; 75 customers who had accessed Tier 2 support; and 200 customers who had accessed Tier 3 support). A further 400 interviews were undertaken in Phase 2 (35 customers who had accessed Tier 1 only support, including customers who were previously EC users, and had accessed Tier 1; 247 customers who had accessed Tier 2 support; and 118 customers who had accessed Tier 3 support). Interviews were undertaken by telephone, and lasted between 5 and 10 minutes

Recruitment for both qualitative and quantitative research was conducted using HMRC provided sample.

2. Former Enquiry Centre (EC) customers

Customers who formerly had visited an HMRC Enquiry Centre (EC). This included a mixture of customers who had accessed HMRC since their last visit and those who had not. A total of 393 interviews were undertaken with former EC customers broken down as follows:

- 50 qualitative in-depth interviews were undertaken with former EC customers. 25 of these interviews were undertaken during Phase 1 and a further 25 in Phase 2. Interviews were undertaken by telephone, and lasted approximately 15 minutes. Recruitment was conducted using HMRC sample. Qualitative interviews were conducted with customers who agreed to be re-contacted from the quantitative interviews
- 343 quantitative interviews were undertaken with former EC customers. 161 interviews were undertaken in Phase 1 and a further 182 in Phase 2. Interviews were undertaken by telephone, and lasted approximately 5-10 minutes

3. HMRC staff

These were advisers working at each of the three Tiers, helping customers with their enquiries. A total of 256 interviews were undertaken with advisers broken down as follows:

- 68 HMRC staff were engaged through qualitative interviews during Phase 1. Seven interviews were undertaken with NES Tier 2 and Tier 3 team leaders; 40 interviews with Tier 2 and Tier 3 staff (including 2 mini-groups); and 21 interviews with Tier 1 staff. Interviews were undertaken by telephone and mini-groups face to face in two locations; these lasted approximately 60 minutes. Recruitment was conducted using customer contact details provided by HMRC
- 188 HMRC staff were engaged through an online quantitative survey during Phase 2. These included 88 Tier 2 staff and 100 Tier 3 staff. The online survey took approximately 5-10 minutes to complete

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Note on the research findings:

The research findings form an aggregated ‘snapshot’ of the customers and staff interviewed or surveyed in this research. While they are representative of the views of those customers and staff we spoke to during the fieldwork period the statistics presented should not be taken as representative of either:

- the NES customer base or NES customers served at individual tiers
- Former EC users
- the Tier 1, 2 or 3 HMRC staff base throughout the UK and Northern Ireland

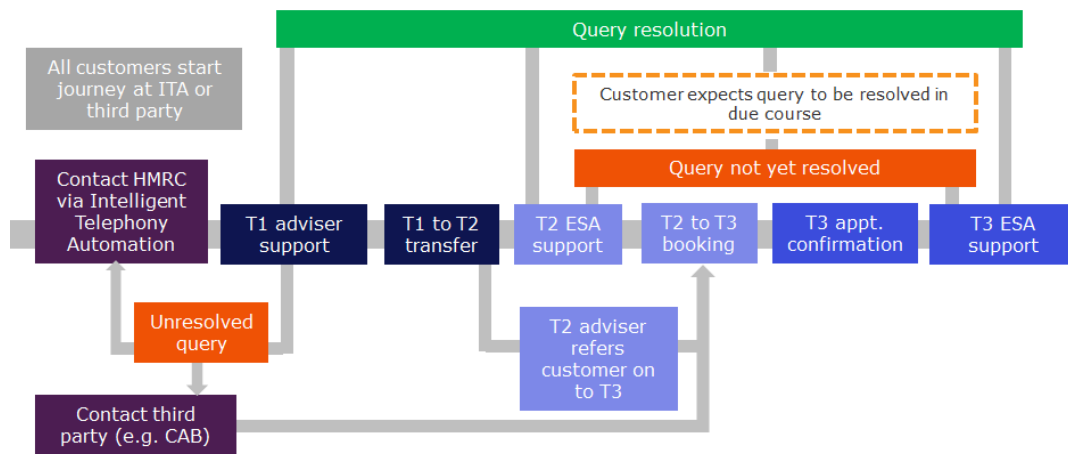
Furthermore, query resolution is self-reported and should not be used as conclusive of actual resolution or changes in resolution between tiers.

Main Findings

Customer journey and identification of drivers of need

Customers had different pathways through the new service model, depending on the form of support accessed (see Figure 2). Typically, customers went through the Intelligent Telephony Automation system (or alternatively a third party) to get through to Tier 1 adviser support at the Contact Centre. Customers were identified as NES and either dealt with at Tier 1 or if identified as requiring enhanced support were transferred on to Tier 2 for extra support by telephone or booking for a face-to-face appointment at Tier 3. At each of these Tiers, some queries were resolved and others at the point of interview had not yet been resolved.

Figure 2: Customer journey



When advisers identified NES customers, they did so using six key drivers of need: *access, personal confidence, mental and emotional state, capability, intricacy* or *HMRC driven*. Through this research it was apparent that some drivers were easier to identify than others. For example, whilst *access, capability* and *intricacy* were relatively easy for staff to identify and refer on quickly, some – for example, *personal confidence* and *mental/emotional state* - often took longer to identify and it was more likely that these customers asked to be

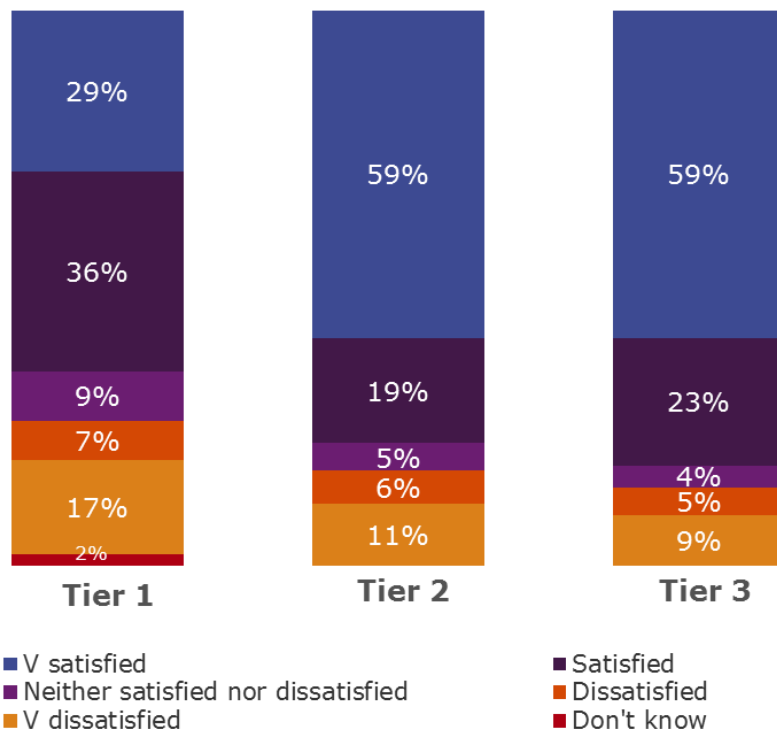
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transferred to another adviser or manager rather than the adviser proactively offering NES support. These latter types of drivers could be triggered or exacerbated by contact at Tier 1.

Overall satisfaction and resolution among NES customers

The majority of customers were satisfied with the overall service they received – over three-quarters of customers said they were satisfied or very satisfied with the service, with customers at Tiers 2 and 3 being most satisfied. Levels of satisfaction remained broadly similar across the two phases of research. Satisfaction ratings represented improvements on those recorded during the pilot (NB. No Tier 1 interviews were conducted as part of the pilot). Figure 3 shows overall satisfaction ratings at each Tier (combining Phases).

Figure 3: Satisfaction with the total customer service, overall (%) Phases 1 and 2 combined



Base: overall T1-3 quant and qual Ph 1 (409) Ph 2 (469); overall T2+3 quant and qual Ph1 (354) Ph 2 (420)

Q1. Taking everything into account, how satisfied are you with the overall service you received from HMRC on your most recent contact with them?

Customer satisfaction was related to query resolution (the latter increased at Phase 2), but also to the quality of customer service received. Quality of service was influenced by:

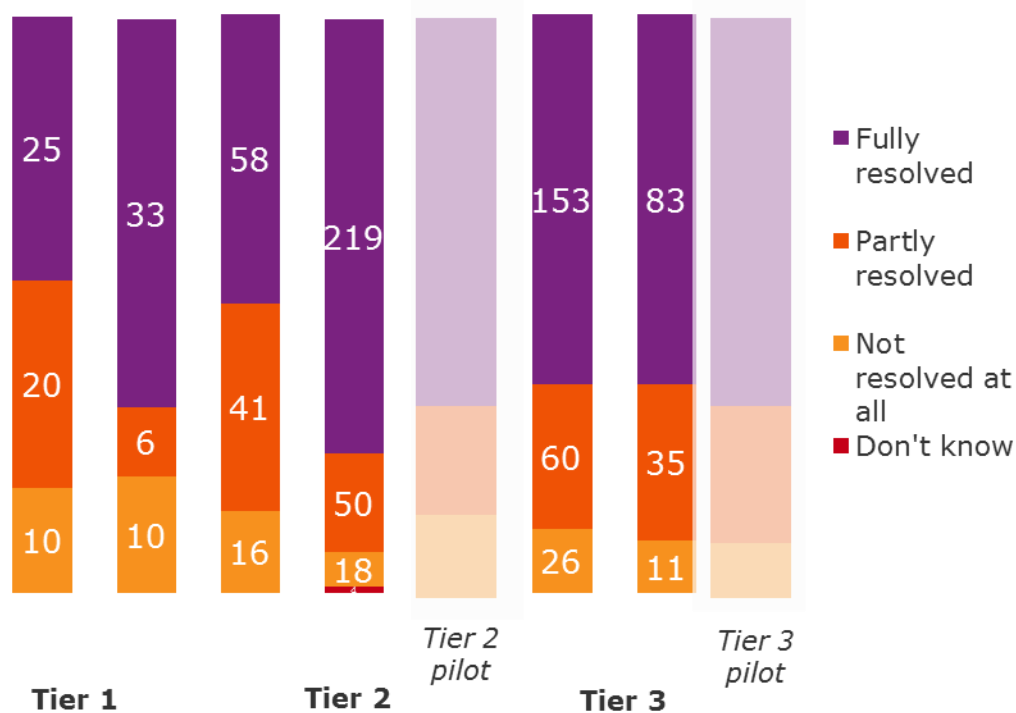
- Efficiency and speed of resolution (especially Tier 1)
- Time afforded, empathy and ownership (especially Tier 2)

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- Accounting for individual needs/situations (all Tiers but particularly Tier 3)

Approximately two-thirds of queries were self-reported as fully resolved at the point of interview – there was an increase in self-reported resolution at Phase 2 by 12-13% across Tiers, driven predominantly by benefits and credits queries at Tier 1 and 2; Tier 3 remained static. Overall resolution scores (see Figure 4 below) reflect the fact that, across all tiers, there was a significant proportion of customers whose query was still in the process of being resolved at the point of interview.

Figure 4: Overall resolution across all tiers (absolute numbers)



Base: overall T1 quant and qual Ph 1 (55)+ Ph 2 (49); overall T2 quant and qual Ph 1 (115)+ Ph 2 (291 * resolution data from 1 interview missing); overall T3 quant and qual Ph 1 (239)+ Ph 2 (129)

Q. Would you say your query is now...fully answered, partly answered, not answered at all?

Getting through to Tier 1 (NES customers and staff)

Customers across all tiers commonly found that it was a challenge to get through to Tier 1 advisers. Almost 40% in both waves reported waiting over twenty minutes to get through and approximately one-quarter of participants found it difficult or very difficult to choose from the list of options, when going through the Intelligent Telephony Automation system. Despite these issues being raised in both phases, there was no increase in reported waiting times during the expected SA ‘peak’ in Phase 2 (38% in Phase 1 and 39% in Phase 2 reporting

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waiting over 20 minutes), indicating customers did not feel the impact of the higher volume of calls being taken during this period.

Older customers and those with more complex or multiple issues were more likely to see waiting times and the ITA system as 'barriers'. These customers reported using a variety of methods (e.g. not saying anything, holding the line, making something up) in order to get through; some gave up and went through other means e.g. going to the Citizens Advice Bureau (CAB). Staff, in particular Tier 3 advisers who had previously dealt with these customers in the EC, also expressed concerns that the system might prevent the most vulnerable customers accessing the support they needed.

The impact of prolonged waiting and difficulties getting through the system was that, for many customers, it instilled a negative mind set at the first step of their journey, before even speaking with an adviser. In some cases, this fuelled emotive interactions at Tier 1, although those who went on to have positive experiences were less likely to feel strongly about these initial negative experiences.

Tier 1 (NES customers and staff)

Customers served exclusively at Tier 1 in both phases predominantly had benefits and credits queries (n 35 Phase 1/ n 38 Phase 2²). The remaining customers had gone to HMRC for a mixture of reasons, including for self-assessment, income tax and NICs, PAYE and codes and coding notices. There was minimal change in the number of self-assessment queries in Phase 2 (SA 'peak') through the quantitative research. In the qualitative interviews customers reported having simple SA issues addressed; examples included getting reassurance and clarification of figures for their return and codes to log in online.

The benefits and credits queries reported by customers - which included applications, questions about eligibility and renewals, reporting a change of circumstance and dealing with overpayments - tended to be relatively simple. However, customers were often in financial hardship or in vulnerable circumstances, which meant there was a pressing need for resolution and could mean that NES drivers became exacerbated if a query remained unresolved for a period of time. Just under half of Tier 1 customers had spoken with HMRC three or more times about their most recent issue; in the qualitative interviews, customers who felt under financial pressure were more likely to call multiple times to get updates on their query.

Prior expectations of the service at Tier 1 depended on whether customers had interacted with HMRC previously; some had low expectations based on previous negative experiences. If they had no experience to draw on, their expectations were driven more by the perceived complexity of their query. Customers expected simple queries to be dealt with on the phone

² Caveat: low base sizes for all Tier 1 only data therefore figures in absolute numbers
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and quickly; on the other hand, for more complex queries, customers wanted and expected more support.

For those who received Tier 1 support only, most were satisfied or very satisfied; this stayed largely stable between phases (n 33 Phase 1 / n 34 Phase 2). However, Tier 1 customers had the lowest satisfaction ratings of the three tiers. Customer experience related to two factors: service efficiency and the manner with which they were dealt. Where simple queries were not dealt with efficiently, or advisers did not respond to customers' needs, they became quickly dissatisfied. In the qualitative interviews, customers' negative experiences typically related to feeling that the adviser lacked understanding of their issue and its urgency, inconsistency in information being given, an unsympathetic manner, and system inflexibility. These were reported in both phases although in Phase 2, there were some signs that Tier 1 staff were dealing with customers more effectively (e.g. affording more time on the phone to discuss queries). Some older customers who lacked confidence and were not referred on to Tier 2, turned to friends and family for support.

Cases which were self-reported to be fully resolved at Tier 1 increased slightly between Phase 1 (n 25) and Phase 2 (n 33); as with satisfaction there was an increase in particular among benefits and credits customers.

Tier 1 advisers³ had all come from the Contact Centre, this meant they were experienced and accustomed to dealing with NES customers. There was full awareness of the new NES service model among these advisers, but they reported limited training on it. Staff at all Tiers reported inconsistency in referrals from Tier 1, influenced by a variety of factors, including:

- length of time in the role: some found it hard to 'let go' of customers as they were used to dealing with NES customers themselves;
- type of query: advisers were less likely to transfer benefits and credits queries as they were seen as less complex and delays in resolution were seen as inevitable due to being processed within the 'system';
- call handling time pressure: referral decisions were often dependent on managers' views on call handling times;
- own interpretation of NES: advisers saw decisions about referral as subjective, and some aspects seen as 'grey areas';
- understanding of what Tier 2 and 3 advisers could do: some had limited understanding of what these advisers could do for the customer; and
- feedback they received from Tier 2 advisers: the level of feedback varied and some had had referrals rejected without proper explanation.

Tier 2 advisers also corroborated these inconsistencies: in Phase 1 these advisers reported there being a small but consistent proportion of 'inappropriate referrals', and in Phase 2 31% of Tier 2 staff felt that the triage process of referral from Tier 1 to Tier 2 was not effective.

³ Note that all Tier 1 advisers in this research came from one contact centre
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Tier 2 (NES customers and staff)

Customers served at Tier 2 had a wider range of queries, compared to those at Tier 1: as with Tier 1, benefits and credits queries were most common (43% Phase 1, 47% Phase 2), but approximately 20% related to self-assessment (19% Phase 1, 22% Phase 2), and there was a consistent stream of other types of query. Queries at Tier 2 for benefits and credits typically related to overpayments and issues with applications and referrals had often resulted from repeat contact and lack of resolution of these queries at Tier 1. Self-assessment queries varied, for example paper form requests (special sizes), repayment of fines or issues impacting the ability to complete returns. The most prevalent NES drivers were *capability, mental and emotional state* and *HMRC driven*.

Queries which were dealt with at Tier 2 tended to be relatively straightforward, but required attentive customer service as they were usually driven by an explicit need for enhanced support. This was either because advisers at Tier 1 had identified a NES driver, or heightened emotion or confusion had been caused by their experience at Tier 1. 75% of Tier 2 customers had spoken with HMRC about their most recent query three times or more, which was comparatively higher than other tiers, with child tax credits and child benefits issues among the most prevalent.

Expectations of the service at Tier 2 varied significantly; this was because of a lack of familiarity with the service and inconsistency in the 'introductions' from Tier 1 advisers about what they were being referred on to. Some recalled being referred to a 'specialist' team, others the 'NES' team or a 'support or case worker' and the level of information they gave varied. Most customers understood why they were being transferred, but not necessarily what the Tier 2 service comprised.

Net satisfaction (i.e. those who were very satisfied or satisfied) with the service at this tier was high – 87% in Phase 1, increasing marginally to 91% in Phase 2. As with Tier 1, there was an uplift in satisfaction among benefits and credit customers in particular (from 47% to 77%). Customer experience was driven primarily by the way issues were handled. Customers appreciated the 'human face' to the HMRC system: the professional and empathetic manner of advisers (89% in Phase 1/ 96% in Phase 2 customers totally or somewhat agreed that their adviser 'wanted to help them'), knowledge to deal with queries (84% in Phase 1/ 89% in Phase 2 felt their adviser had enough knowledge to answer their query) and the time taken to take ownership over cases and engage with customers. This kind of individual support meant that the service delivered effectively against customers' needs, giving them confidence and reassurance, which was significant given NES drivers (*capability* and *mental and emotional state*) prevalent at Tier 2. Customers who had negative experiences at Tier 1 tended to be especially positive about Tier 2.

Customers reported some negative experiences at this tier: this primarily related to the HMRC system, rather than the way advisers dealt with their queries. Examples of system issues

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related to transferral between Tiers 1 and 2 - 62% of customers had to repeat their enquiry when transferred and 79% had to re-answer security answers, which could be frustrating for customers who would expect this information to be “in the system”. Furthermore, in the qualitative interviews customers reported frustrations due to hold-ups or complexities in the wider HMRC system which delayed resolution, and their satisfaction with the service overall.

Self-reported query resolution at Tier 2 changed between phases, with a greater proportion of customers in Phase 2 self-reporting fully resolved queries (50% to 75% fully resolved); the proportion of benefits and credits queries self-reported as fully resolved increased from 57% to 82% between phases. Evidence gathered through the qualitative interviews did not provide additional insights to explain these shifts; and some caution should be applied due to the relatively small base sizes at Phase 1 compared to Phase 2.

Tier 2 advisers were primarily former Contact Centre staff, and because of this, they were used to dealing with NES customers over the phone and were confident in performing this role. The transition from these advisers was largely ‘cultural’ as, under NES, they worked under less time pressure and increased powers to take ownership of cases. Most felt positively about this and that it added to their job satisfaction. For those who were moving from back office, there was also a shift in their needing to learn new competencies (i.e. dealing with customers) and a faster pace of working. Tier 2 advisers reported having a mixed level of interaction with Tier 3 staff (depending on their co-location) and most saw their interaction with Tier 1 advisers as minimal.

Across all staff at this tier, in the qualitative interviews (Phase 1) most felt they had received extensive training at transition, although some training needs were identified (e.g. more guidance on their roles’ remit, and handling ‘extreme’ cases, how to access and liaise with wider HMRC; guidance on appeals and penalties). In Phase 2 the survey showed that Tier 2 staff did not feel training was fully effective in preparing them to deal with all types of issues. Whilst effectiveness of training was felt to be relatively high in some aspects (three-quarters of Tier 2 staff reflecting positively on training to support people with: low ability to deal with task, heightened emotional needs, mental health conditions and low confidence), in the areas of additional debt issues, complicated tax affairs and sensory impairments, under half of Tier 2 advisers (41%, 45% and 49% respectively) felt that the training had been effective in helping them deal with these customers. These areas matched those which advisers said they would be more likely to refer on to Tier 3 – namely, customers who showed overt *intricacy* and *access* drivers, possibly compounded by *capability* issues. On the whole, advisers felt they did all they could to achieve resolution and their confidence was very high in doing this: 85% agreed that they were confident in taking on new queries and resolving them to a satisfactory standard. This also meant it was sometimes difficult for them to ‘let go’ of customers, which was corroborated by Tier 3 advisers, 29% of whom felt that the triage process was not effective in referring the right people for face-to-face support.

Advisers at Tier 2 reported a high level of satisfaction with the NES service model – with 83% satisfied or very satisfied. In the qualitative interviews staff felt that case ownership and

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flexibility in support were key features in providing an improved service to customers. This was reflected in 91% of Tier 2 staff who felt the new NES service model compared very or fairly well to the previous service from a customer perspective and 93% from a HMRC perspective. Where there was dissatisfaction and more negative views expressed about the new NES service; these centred on frustrations around advisers' ability to resolve all presenting issues (due to restrictions in access to certain parts of the HMRC system) and issues relating to referrals from Tier 1.

Satisfaction with the new service model was correlated to satisfaction with training: 98% of Tier 2 staff who feel the training has sufficiently allowed them to transition to the new service model were satisfied with the new service. Of those who were dissatisfied with the sufficiency of training (19% of staff interviewed), only 59% were satisfied with the new service model. Those who were dissatisfied with the service were also more likely to be dissatisfied with the amount of training received.

Tier 3 (NES customers and staff)

Tier 3 customers predominantly had self-assessment queries – with an increase during SA 'peak' from 41% and 47% in Phase 1 and 2 respectively. The remaining customers comprised a relatively even mixture of other types of query. Queries dealt with at this tier tended to be more complex, typically where issues were complicated or had accumulated; it also included customers who had practical difficulties filling out forms (e.g. blind, dyslexic), many of whom were accustomed to going to Enquiry Centres previously. Multiple drivers were identified at this tier, often co-occurring, with *access*, *confidence*, *capability* and *intricacy* most common.

Most customers expected to be offered face-to-face support, due to issues of their capability or the nature of their query (which, as outlined above, tended to be complex), although only a minority actively requested it. By the time they reached Tier 3, there were clear expectations set by advisers at Tier 1 and 2 about what the service would entail. Those who were former Enquiry Centre users also had particular expectations based upon their previous experiences at the Enquiry Centre.

Tier 3 customer expectations were usually met or exceeded. Satisfaction of Tier 3 customers was the highest across the various tiers, with 97% of customers satisfied or very satisfied across both Phases (84% and 82% of customers were very satisfied). Satisfaction was highest among customers with self-assessment queries, which was the most common type of query dealt with at Tier 3. Satisfaction was largely driven by the personal and face-to-face support received: this provided customers with a sense of reassurance and relief at observing progress on their queries. Customers felt advisers were efficient, had adequate knowledge, and were empathetic and proactive. Furthermore, for the vast majority the location was felt to be suitable (92% Phase 1; 95% Phase 2).

A small number of customers in the qualitative interviews reported feeling 'overserved'; these customers tended to be those who had not necessarily expected to receive face-to-face

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support in the first place and felt that their query could have been dealt with over the phone. Where there were less positive experiences reported, it was typically former Enquiry Centre users who preferred this mode of support, or those who needed to present documents for identity checks (IDAS).

In line with satisfaction, self-reported resolution was high and relatively stable across Phases – 64% of queries were self-reported to be ‘fully resolved’ at the time of the interview. Factors that drove resolution of queries also rated highly, such as the adviser having enough knowledge to answer the query (94% Phase 1; 93% Phase 2), their understanding of the query (95% Phase 1; 97% Phase 2) and providing explanations that were understood (97% both Phases).

Advisers at Tier 3 were predominantly former Enquiry Centre staff who were highly experienced in supporting customers face-to-face, and very confident in dealing with NES customers. The transition for these advisers was largely procedural: they typically held a similar role prior to the new service model but the settings in which they performed this role were more diverse and remote. This change meant getting accustomed to new processes for remote working such as IT, health and safety procedures and car pools, and factoring in time for travel. For some, these aspects meant that systems which supported resolution felt less accessible. Some advisers felt this ‘environmental’ shift more than others, for example where extensive travel was required or for those who were less confident with IT.

In the qualitative interviews in Phase 1, advisers reported receiving extensive training but there were some training needs reported:

- more guidance on their ‘remit’ (as with Tier 2 staff);
- how to deal with ‘extreme’ cases (as with Tier 2 staff);
- filling training ‘gaps’ (Tier 3 staff specifically): training in technical areas, for advisers who had not previously worked in dealing with that type of tax and IT for those less confident in this area. These varied according to background; previous EC staff for example felt that the training on dealing with customers was less required compared to those from other backgrounds.

In the quantitative research in Phase 2, staff reported training not being fully effective in preparing them to deal with some types of customers and query. Compared to Tier 2 advisers, training in some areas was seen as more effective: namely, additional debt issues (50% compared to 41%), complicated tax issues (59% compared to 45%) and sensory impairments (64% compared to 49%) – however, these were also the types of query staff at Tier 3 were more likely to deal with. Although comparatively more effective, the figures indicate that there is scope for improvement in these areas. In other areas, training was perceived as being less effective by Tier 3 advisers when compared to Tier 2 advisers. Despite issues with the perceived effectiveness of training, advisers’ overall confidence in dealing with issues was very high – with 89% feeling confident that they would be able to resolve it to a satisfactory standard – possibly due to the experience they brought from their previous roles.

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Approximately a quarter of Tier 3 staff were very satisfied with the new NES service model – although satisfaction was lower compared to Tier 2 staff (83% Tier 2 and 77% Tier 3 net satisfaction). From the qualitative research, advisers highlighted that they felt the model allowed them to meet customers' complex needs; areas where dissatisfaction occurred related to perceived effectiveness of the service for the customer (see below). As with Tier 2 advisers, there was a correlation between satisfaction and training: 87% of Tier 3 staff who felt the training had sufficiently allowed them to transition to the new service model were satisfied with the new service. However, of those who were dissatisfied with the sufficiency of the training (12% of the staff interviewed), only 50% were satisfied with the service.

Tier 3 staff felt comparatively less positive about the effectiveness and efficiency of the new NES model compared to Tier 2 advisers. 72% of the advisers felt the new service compared well or fairly well with the previous offering from a HMRC perspective, compared to 93% for Tier 2 advisers. This reflected the mixed views of advisers in the qualitative research in Phase 1: on the one hand there was a recognition that removing Enquiry Centres provided cost savings, on the other hand some felt that travel times and small workloads were less efficient. The perceived effectiveness and efficiency of the service by staff from the customer perspective was lower at 58% (compared to Tier 2 advisers at 91%). In the qualitative interviews, advisers expressed concerns that some more vulnerable customers may be prevented from accessing the service due to the Intelligent Telephony Automation, cost of calling, waiting times and Tier 1 service. There were also concerns that there might be customers receiving Tier 3 support when it was not needed and that the system might encourage a dependency on face-to-face support.

Former Enquiry Centre (EC) customers

Customers had previously accessed support from HMRC through Enquiry Centres (EC) for a variety of reasons. These ranged from customers who wanted reassurance, either due to lack of confidence or because they felt they needed 'practical' support due to a physical or learning disability for example. Customers in this research included a mixture of habitual EC users and those who had visited an EC to deal with a particular one-off issue. The majority of these customers had not contacted HMRC since their last visit to the Enquiry Centre at the time of the research (70% in Phase 1 and 77% in Phase 2 had not yet contacted HMRC).

Among former EC customers, most were aware of the closure of the ECs; as might be expected, this increased between phases from 89% to 93% of former EC customers being aware. The main source of information about this was the letter sent by HMRC and being told by an adviser during their last visit to the EC. Fewer recalled receiving the letter over time (from 42% to 26% recalling it Phase 1/ Phase 2) and there were more instances of customers finding out on visiting a closed EC (from 2% to 9%).

Despite most customers being aware that ECs had closed, over a third in each phase (36% and 37% in Phase 1 and 2 respectively) were not aware of a new telephone service to help

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people who need extra support. Those who were aware of the service most commonly found out through the letter from HMRC; as with awareness of the EC closing, recollection of the letter decreased over time (54% in Phase 1 to 45% in Phase 2).

In the qualitative interviews, customers who were not aware of the new service expressed concerns about how they would deal with their tax queries and what support would be available; this was a particular concern among customers with *access* or *confidence* drivers. Some reported considering alternatives such as friends and family, or other professionals if they were unable to get the support they needed from HMRC. The lack of certainty was driven in part by varied expectations set by advisers in the EC, some of whom customers recalled had told them that a face to face support service would still be available, others that they would only have phone and online as options. There was also mixed recall of what the letter had stated.

Customers who had contacted HMRC since their last visit to the EC reported feeling similar concerns about the support they would receive, but that their experience in reality had been broadly positive. These customers primarily had self-assessment, income tax and NICs queries, and many had been dealt with at Tier 1 – typically those with more straightforward queries from customers who had gone to the Enquiry Centre previously for reassurance rather than ‘need’. As with the broader NES customer base, customers who had been dealt with at Tier 2 were predominantly those with more complex queries, while older and/or more vulnerable customers were typically dealt with at Tier 3 (and had expected – or hoped - they would receive face-to-face support).

Satisfaction and reported resolution among former EC customers were broadly aligned to the wider NES customer base. Some had had lower expectations based on previous experience of ringing HMRC or what they had heard from others, and as such were pleasantly surprised. Where there was dissatisfaction it usually related to aspects of the service which these customers were less accustomed to, for example waiting on the phone to get through to an adviser and needing to repeat details on multiple occasions to different people. Those who had expected but did not receive face-to-face support also tended to be dissatisfied. Even among those who were satisfied, many felt the previous service model, where Enquiry Centre’s were open, was a better model. Across the two phases, 36 of the 74 customers who had accessed HMRC support since their last visit, felt that the service was much worse or slightly worse than their previous experience of the EC. From the qualitative interviews, this was due to customers’ preferences for face to face (especially those who were unconfident), the length of time getting through by phone and some Tier 3 customers felt that it was more difficult to access the same service.

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Summary

Research at Phase 1 found high levels of satisfaction with the service, with the highest satisfaction at Tiers 2 and 3. This was reflected in Phase Two, with customer experience and satisfaction levels remaining high during one of HMRC's busiest periods for providing customer support. Customer satisfaction was seen to be related to query resolution (which increased at Phase 2), but also to the quality of customer service received. For customers the quality of the NES service relates to:

1. Efficiency and speed of resolution (especially Tier 1)
2. Time afforded, empathy and ownership (especially Tier 2)
3. Accounting for individual needs/situations (all Tiers but particularly Tier 3)

The referral process is largely working well for customers with explicit NES drivers: access, ability and complexity. Confidence or mental and emotional state are more subjective and temporal leading to two issues:

1. Tier 1 advisers can attempt to serve customers with less complex queries – those whose queries are “in the system” – however this can trigger or intensify NES drivers (including mental and emotional state, and confidence)
2. Some Tier 2 advisers can question the appropriateness of referrals received where explicit drivers are not immediately evident

A high proportion of customers have repeated contact over the same issue – often benefits and credits. This repeat contact can trigger or exacerbate a driver of need. More training on identification of NES customers for Tier 1 advisers, and greater communication between advisers of different Tiers to increase understanding of advisers' roles and consistency in referrals may be beneficial.

Former EC customers are currently being served well, often through Tiers 1 or 2, and report a satisfactory experience. The service helps address their queries effectively, however many would still prefer to access the EC. A key potential issue is the low level of awareness of the new service model and relatively few ex-EC customers have sought support since the EC closures. There is a risk – echoed by staff - that former EC users may not be effectively supported with their tax, benefit or credit issues. In particular this would have the largest impact on those with access, ability and confidence drivers. HMRC may wish to look at communications for former EC customers to ensure there is clarity on where those who most need support can access it.

The new service model is seen by staff as providing a comparatively better service to NES customers. It is more efficient from the HMRC perspective, and offers a wider group of customers the opportunity to receive an enhanced service. This is most evident at Tier 2 where the service - high intensity and personalised telephone support - is most different to what came before.

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Staff enjoy their new roles – in particular the freedom to “own” cases - and many come with the experience and skills to deliver these roles effectively. However, the training provided on transition is lacking in certain areas which can reduce staff confidence in the service model (common to Tier 2 and Tier 3 were: guidance on ‘how far’ advisers should go when dealing with customers – i.e. their remit, and how to handle ‘extreme’ situations). HMRC should consider undertaking a further training needs assessment, and build on areas where staff are looking for more training and guidance: including guidance on their remit, handling ‘extreme’ cases of distress/mental illness; and tax-specific knowledge.